

SENATE BILL REPORT

SB 6162

As Reported By Senate Committee On:
Health & Long-Term Care, February 2, 1996

Title: An act relating to local public health financing.

Brief Description: Modifying local public health financing.

Sponsors: Senators Franklin and Winsley.

Brief History:

Committee Activity: Health & Long-Term Care: 2/1/96, 2/2/96 [DPS-WM].

SENATE COMMITTEE ON HEALTH & LONG-TERM CARE

Majority Report: That Substitute Senate Bill No. 6162 be substituted therefor, and the substitute bill do pass and be referred to Committee on Ways & Means.

Signed by Senators Quigley, Chair; Wojahn, Vice Chair; Deccio, Fairley, Franklin, Moyer, Thibaudeau, Winsley and Wood.

Staff: Don Sloma (786-7319)

Background: Several legislative enactments in recent years have sought to clarify state policy regarding financing and governance roles for local public health jurisdictions. The moves have generally strengthened the role of county government regarding local public health financing and governance.

One part of these changes involved rededication of certain revenues which had been statutorily earmarked for use by the cities for public health and other purposes to counties for public health purposes. This transfer created certain losses in revenue to local health jurisdictions.

To compensate for this, a public health account was created in 1995, into which formerly city dedicated funds for public health and funds from various state sources were placed, to be distributed to local public health jurisdictions. The account's statutorily prescribed distribution formula is based on 1995 city contributions to local public health and on a health jurisdiction's unincorporated population.

This formula has come to be problematic in health jurisdictions where cities incorporated in 1994 or 1995.

Summary of Substitute Bill: Any local public health jurisdiction funding reductions which may result from the redistribution of certain city motor vehicle excise tax revenues through the state public health account may be funded using excess funds, if they become available, after distribution of county sales tax and use tax revenues through that fund's equalization account.

Substitute Bill Compared to Original Bill: Changes in the public health account funding formula are deleted. Should an estimated \$800,000/year in excess funds from the county sales tax and use tax equalization account become available, it will be diverted from the general fund to the public health account. This compared with no provision for additional funds in the original bill.

Appropriation: None.

Fiscal Note: Requested on January 26, 1996.

Effective Date: The bill takes effect on July 1, 1996.

Testimony For: This bill is needed to eliminate the effect on the public health funding equalization effort of several city incorporations during the year designated as the base year for funding.

Testimony Against: None.

Testified: Leonard Sanderson, mayor, city of Milton (pro); Eletta Tiam-Quibeley, Tacoma-Pierce Co. Health Department (pro).